



U.S. Department of Justice

United States Attorney

Eastern District of Pennsylvania

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For Immediate Release

June 9, 2010

## **CHIROPRACTOR CHARGED WITH HEALTH CARE FRAUD AND MAIL FRAUD**

PHILADELPHIA – Dr. Joseph J. Lerner, a chiropractor, was charged today by Information<sup>1</sup> in connection with a \$3 million scheme to defraud Independence Blue Cross (“IBC”), Aetna Health Management (“Aetna”), Highmark Blue Shield (“Highmark”) and five other victim insurance companies, announced United States Attorney Zane David Memeger. The charges allege that Dr. Lerner was the owner of the Horsham 24-Hour Fitness and Wellness Center (“Horsham Fitness”), a gym and health club located in Horsham, Pennsylvania.

Between 2007 and March 2010, it is alleged that Dr. Lerner fraudulently billed IBC, Aetna, Highmark and five other victim insurance companies for chiropractic treatments that Dr. Lerner neither provided nor supervised. According to the information, Dr. Lerner hired masseuses and personal trainers to work at Horsham Fitness, to provide massages and personal training to gym members whose health insurance Lerner would bill fraudulently for chiropractic services that Lerner never provided. The charges allege that Dr. Lerner suggested to persons seeking to join the gym that they could obtain massages and personal training for the very low price of only a co-payment, usually \$10, by having their health insurance pay for those massages and personal training sessions. The charges allege further that Lerner directed the masseuses and personal trainers to provide massages and personal training to gym members, when Lerner knew that the services were not performed by Lerner or any other licensed medical professional, and knew further that those services were not reimbursable under the terms of the gym members’ health insurance policies. It is alleged that Dr. Lerner prepared fraudulent bills for the Horsham Fitness members, including fictitious procedure codes and false representations of patient symptoms and clinical findings, and submitted those fraudulent bills to the victim insurance companies.

In total, it is alleged that the defendant caused the submission of fraudulent medical bills to the eight victim insurance companies totaling approximately \$3 million, resulting in payments from the victim insurers totaling approximately \$1,941,010.43.

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<sup>1</sup>An Indictment or Information is an accusation. A defendant is presumed innocent unless and until proven guilty.

INFORMATION REGARDING THE DEFENDANT

NAME	ADDRESS	AGE OR YEAR OF BIRTH
Joseph J. Lerner	Chalfont, PA	50

If convicted, Lerner faces a maximum possible sentence of 30 years imprisonment, a \$500,000 fine, forfeiture of \$432,834.12 and mandatory restitution payments to Independence Blue Cross, Aetna, Highmark and the other victim insurance companies.

The case was investigated by the United States Postal Inspection Service and the Federal Bureau of Investigation and is being prosecuted by Assistant United States Attorneys Mary E. Crawley and Laurie Magid.

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